GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:747
ANSWERED ON:03.03.2008
REPORT OF WADHWA COMMITTEE
Badiga Shri Ramakrishna

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Wadhwa Committee to look into various aspects of Targeted Public Distribution System (TPDS) in the country has since submitted its report;

(b) if so, the details of recommendations made by the Committee with regard to various States, particularly Andhra Pradesh; and

(c) the action taken/proposed to be taken by the Government on the recommendations of the Committee?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a) & (b): Central Vigilance Committee (CVC) with Justice D.P. Wadhwa as Chairman was set up by the Supreme Court to look into maladies affecting functioning of Public Distribution System (PDS) and to suggest remedial measures. The Supreme Court`s direction to CVC was to conduct this study initially for the TPDS in Delhi, to be followed up on all India basis. The Committee has submitted its report on TPDS in Delhi in August, 2007 to the Supreme Court. The Supreme Court in its order dated 10.01.2008 has ordered that similar exercise be undertaken by the CVC for the entire country and thereafter the Supreme Court would consider the suggestions of the CVC and shortfalls notices. Thus the report submitted by CVC so far is only for TPDS in Delhi and does not cover other states such as Andhra Pradesh. A copy of summary of recommendations of CVC is annexed.

(c): Since the report of CVC submitted so far is for PDS in Delhi, the Delhi Government has taken decisions on some of the recommendations and it is examining others. Regarding recommendation of CVC to abolish APL category or limit APL coverage to households having annual income of rupees less than one lakh, Government of Delhi has taken a decision in principle to limit disbursement of Specified Food Articles (SFAs) to only those APL card holders, who have their annual family income of less than Rs. 1 lakh or are not Income Tax Payees.The Central Government has also taken into consideration one suggestion of the CVC to distribute wheat flour to BPL families under TPDS while issuing the revised policy on this subject on 17.01.2008. Other recommendations of CVC are under examination.

ANNEXURE

ANNEXUE REFERRED TO IN REPLY TO PARTS (a) & (b) OF THE UNSTARRED QUESTION NO. 747 DUE FOR ANSWER ON 03.03.2008 IN THE LOK SABHA.

SUM AND SUBSTANCE OF THE RECOMMENDATIONS

(i) Abolishing the APL category and raising the income criteria of BPL up to annual income of Rs. 49,284/- as most of the food grain allocated for APL category is diverted in as much as by and large it is not lifted by persons belonging to the APL category. There is every likelihood of outcry against abolition of the APL category by F.P.S. dealers and protests by vested groups and hence if the Court is of the view that it may not be possible or desirable to abolish the APL category altogether, it may consider limiting the APL category to households whose annual income is Rupees One lakh.

(ii) Immediate identification of BPL and AAY families - to check exclusion of poor households.

(iii) Elimination of bogus/fake cards by means of a door-to-door to survey by a reputed agency - also collection of data for computerization.

(iv) Zero tolerance - strengthening of the Enforcement Wing and Anti Hoarding Cell and making public servants engaged in PDS accountable - establishing flying squads to inspect the movement and distribution of food grains. Whenever a FPS is sealed because of some malpractice, its licence be straight-away suspended/revoked. Ration Card holders attached to that FPS could be transferred to the nearby FPS or mobile van to be put in service or a Kirana shop of the area already selected, could be entrusted temporarily to distribute PDS food grains.

(v) Computerization - use of technology - computerization of the activity providing an end-to-end automated system involving minimum

human intervention. This would involve automation of the interface between the FPS and the consumer on one hand and the FPS and the FSO on the other so as to make the functioning of the FPS`s transparent.

(vi) Establishment of a Hipline.

(vii) E-banking - amounts toward transport charges and cost of food grains should be remitted by FPS by ECS instead of by way of bank drafts and handing over to the Circle Inspector etc, thus avoiding paper work.

(viii) Distribution of wheat flour on option basis instead of wheat to BPL households - strict provision to put in place to check that good quality of wheat meant for PDS is not replaced by sub-standard wheat by flourmills etc. - general instructions could be given to sell only the fortified `atta` with essential nutrients before selling in the open marketing/PDS - this is to make the implementation easier in all respects and also for avoiding diversion and leakage.

(ix) Ombudsman/Regulator - independent agency to be created to monitor the working of the PDS - existing system is inactive and ineffective and corrupt.

(x) Functions of the Delhi State Civil Supplies Corporation (DSCSC) to be taken over by the Department of Food and Civil Supplies - there is no Vigilance machinery or enforcement agency with the DSCSC - to check diversion of foodgrains by the trucks engaged by the DSCSC- large scale diversion of food grains by these trucks.

(xi) Food coupons - to begin with to be tried on a pilot basis in any two circles.

(xii) Constitution and strengthening of Vigilance Committees at State/District Levels.

(xiii) Strengthening the legal regime.

(xiv) Streamlining the system of allotment of FPS licenses and steps for provision of reasonable commission to the FPS owners.

(xv) Public awareness campaigns to be carried out to increase awareness among he public about the functioning of the PDS - organizing PDS adalats in conjunction with Legal Aid Authorities - holding public meetings in circles/moholaas every two months - due publicity to be given - NGOs of repute to be associated.

(xvi) To increase viability of FPS`s, distribution of kerosene oil (though an equally discredited and corrupt system) by FPS`s to be considered as is being done in Mumbai.

(xvii) Putting up of prominent and visible boards at FPS shops and on the trucks carrying PDS.

(xviii) Strict standard conditions for engaging the trucks to transport PDS food grain and also installing GPS on each and every truck engaged by the transporter - immediately as a truck carrying PDS food grain moves out from the FCI godown messages by SMS/fax/mobile phone/telephone call, to be passed on to Vigilance Committee, Member(s) of the area and FPS concerned for which the food grain is meant.

(xix) To strictly follow and implement the Revised Model Citizens` Charter issued by the Department of Food & Public Distribution, Govt. of India and communicated by letter dated 30th July 2007 to the State Governments.

(xx) Amnesty Scheme - four weeks time be given to persons holding bogus/fake cards to deposit the same with FPS/Circle Office - no questions asked. On verification by door-to-door survey if any bogus/fake card is found, prosecution be launched not only against the persons holding bogus/fake cards but also against the officers of the Department responsible for issuing bogus/fake cards - publicity to be given both by print/electronic media and also hoardings to be displayed at prominent places of the amnesty scheme.

(xxi) Section 15A gives unnecessary protection to public servants engaged in the distribution of PDS. This Section should be repealed. Without the actual connivance and participation of public servants in the PDS there cannot possibly be diversion of food grains.